WASTINGTON
DARRINGTON
Sanitized - Approved For Release CIA-RD

FOIAb3b



## CPYRGHT

## Black Funds'-and Red

TWO United States Senators openly have complained to the Senate about "black funds" in the Defense Department budget.

These are hidden funds, appropriations which are disguised.

President Johnson recently announced the development of a new military plane, on which \$1 billion had been spent.

Sen. Allott of Colorado said this came as a shock to him, even the he is a member of the Appropriations Committee. Sen. Monroney of Oklahoma shared this attitude.

They both said it was "embarrassing" to discover, after going over the Defense Department budget item by item, that millions and even billions had been allocated for something they never heard of.

Mr. Monroney said he recognized the

need for secrecy on many projects but. proposed a "super-committee" to check on the confidential items in the budget.

We have maintained all along that Congress should set up a special House-Senate committee to check on all the secret operations of the Government—"black funds" and the operations of the intelligence agencies, such as the CIA.

"Black" funds help get the Government in the red—and if there is no restraint on this spending, even by the members of Congress, there is no way to know whether the money is properly spent or the intelligence operations properly run.

Any agency operating in complete, secrecy is under easy temptation to excesses. This is not our way of doing business. And this is public money. At least Congress should know what is happening to it.